

**Approved and Adopted by the
Community Improvement Commission of the
City of Alameda
June 15, 2010
Resolution No 10-167**

**Implementation Plan
Fiscal Years 2009/10–2013/14**

**Alameda Redevelopment Project Areas:
Business and Waterfront Improvement Project &
West End Community Improvement Project**

Prepared for:

**The Community Improvement Commission
of the
City of Alameda**

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I. INTRODUCTION

This Implementation Plan (Plan) has been prepared pursuant to the requirements of Section 33490 of the California Community Redevelopment Law "CRL" (Health and Safety Code). The Community Improvement Commission of the City of Alameda (CIC) has established three Redevelopment Project Areas: the Business and Waterfront Improvement Project (BWIP), the West End Community Improvement Project (WECIP), and the Alameda Point Improvement Project (APIP). The first two project areas – BWIP and WECIP – have the same Implementation Plan schedules. Under CRL, it is allowable to present one document for both the BWIP and WECIP throughout the community participation process. APIP follows a different Implementation Plan schedule. The Plan outlines on-going efforts in economic and housing redevelopment and refers to applicable policy documents in place, such as, the General Plan, the Economic Development Strategic Plan, the Park Street District North of Lincoln Strategic Plan, the Parking Study, the Citywide Retail Policy, and the Webster District Strategic Plan.

Under the CRL, redevelopment agencies are required to adopt a new implementation plan every five years. The purpose of this Plan is to serve as a multi-year planning document for the CIC, to establish the link between the projects to be undertaken and the alleviation of blight in the Project Area, and to demonstrate CIC compliance with affordable housing production and expenditure requirements. The Plan is intended to guide execution of the Redevelopment Plan, while allowing flexibility to the CIC to respond to specific redevelopment opportunities as they arise. The following information must be presented in the Five-Year Implementation Plan:

- The CIC's specific goals and objectives for the five-year implementation plan period (July 1, 2009 through June 30, 2014) for both non-housing and housing activities;
- Anticipated specific programs and expenditures for the five-year implementation plan period for both non-housing and housing activities;
- An explanation of how the goals, objectives, programs, and expenditures will assist in the elimination of blight;
- Specified information about the CIC's affordable housing program, including plans for deposits to and expenditures from the Low and Moderate Income Housing Fund, and means to achieve the CIC's affordable housing production and income targeting obligations;
- Other information related to the provision of affordable housing.

This implementation plan must be adopted after a noticed public hearing. The law requires that the plan must be reviewed in a public hearing, and by inference amended, if desirable, between two and three years after adoption. A new plan is required every five years.

Adoption of an implementation plan does not constitute an approval of the specific programs, projects, or expenditures, which allows flexibility for the CIC to adjust to changing or unforeseen market conditions, community needs and priorities, and resident and developer interests.

Consequently, should CIC assumptions not be realized or unforeseen circumstances arise, modifications to this Implementation Plan may be necessary.

This Implementation Plan is divided into two sections. The first section discusses the CIC's goals and objectives related to general (non-housing) redevelopment activities, and describes the proposed programs, projects, and expenditures that will assist with the elimination of blight and the reversal of deteriorating economic trends. The non-housing sections of this implementation plan cover the period from July 1, 2009 through June 30, 2014. The second section of this Plan discusses the Agency's goals and objectives related to its affordable housing activities, and provides other information concerning CIC's compliance with the affordable housing obligations as required by the CRL. The sections that describe implementation of housing production, replacement, and income-targeting requirements address a ten-year compliance period. Pursuant to the CRL, the first ten-year income targeting compliance period is an extended period from January 1, 2002 through December 31, 2014.

A. Project Areas and Description

The West End Community Improvement Project (WECIP) was adopted in 1983 to assist in the financing of streets, utilities, and other public improvements necessary to alleviate blight on properties along the Oakland/Alameda estuary and to make private sector investment economically feasible.

The Business and Waterfront Improvement Project (BWIP) was adopted in 1991. The BWIP area includes the Park Street and Webster Street business districts, two neighborhood commercial districts along Lincoln Avenue, most of the estuary waterfront from Tilden Way to the former Alameda Naval Air Station, now Alameda Point, the Civic Center, and the primary entrances to the City.

In 2003, the BWIP/WECIP Redevelopment Plan Fiscal Merger and Amendments were adopted. As part of this process, the CIC identified in the APIP Redevelopment Project Area approximately 123 acres (the "Exchange Area") as necessary to the effective redevelopment of the BWIP. The Exchange Area was added to the BWIP through the amendment process. The Exchange Area consists of the East Housing area and a portion of the Navy's former Fleet Industrial Supply Center (FISC) facility. The amendment de-annexed the property known as the Catellus / FISC-East Housing site from the APIP and added to BWIP.

While the BWIP and WECIP were merged, fiscally, they are still separate project areas whose plans must be documented separately. Both plans, however, can be included in one document, which is the format used with this report.

Profile of the Project Areas including plan limits and acreages are provided on Table 1. The boundaries of the Project Areas are shown on the following map.

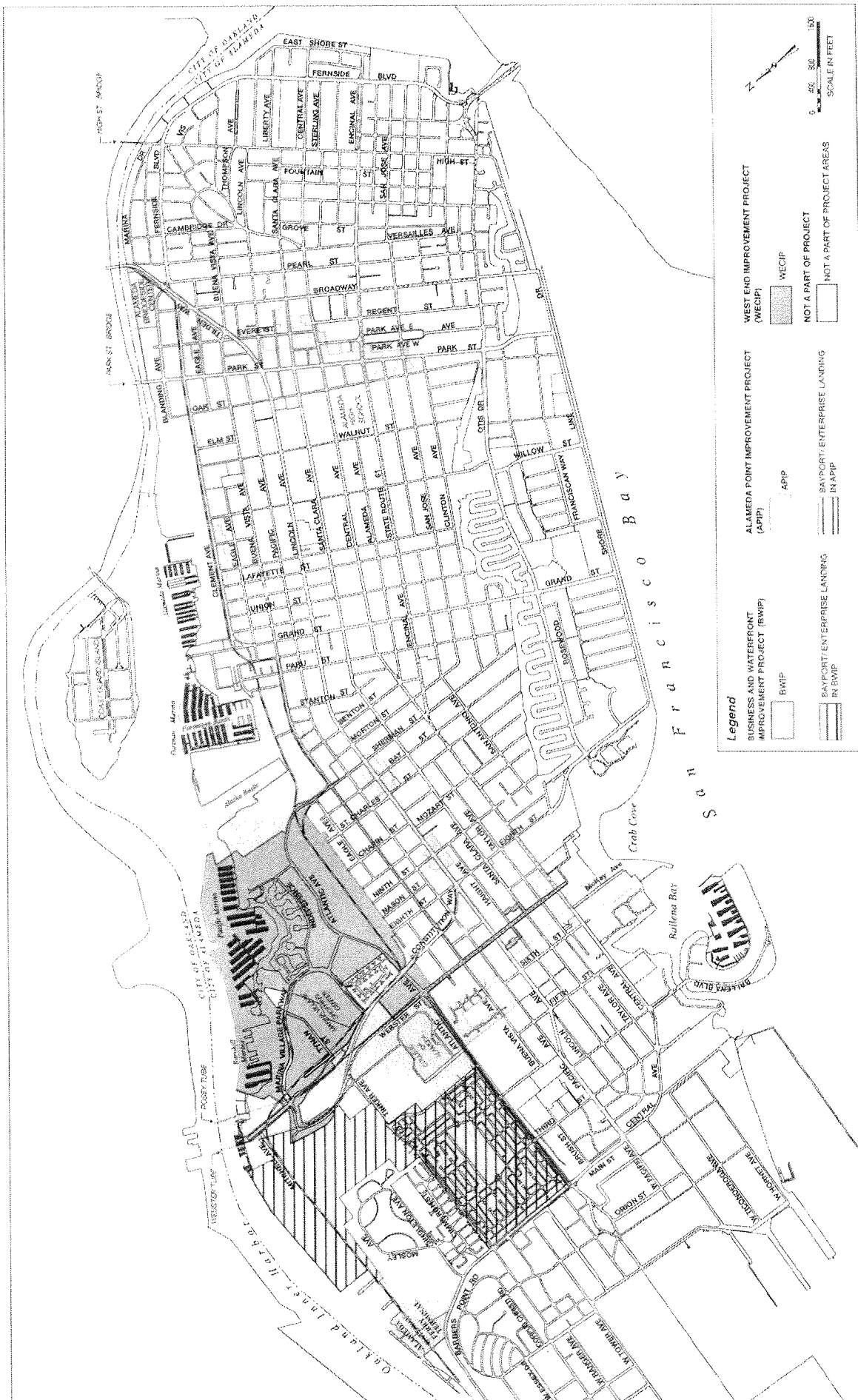
TABLE 1
PROJECT AREA PROFILE
5 YEAR IMPLEMENTATION PLAN 2010-2014
COMMUNITY IMPROVEMENT COMMISSION of the CITY OF ALAMEDA
BWIP AND WECIP PROJECT AREAS

	WECIP	BWIP Original Area	BWIP Exchange Area	Total Project Area
Effective Date	June 28, 1983	June 18, 1991	April 1, 2003	
Ordinance No.	2141	2559	2896	
Land Area	225 Acres	749 Acres	123 Acres	1097 Acres
Time Limit for Incurring Debt ¹	Eliminated	Eliminated	4/1/2023	
Time Limit for Redevelopment Activities ¹	7/5/2026	6/18/2032	4/1/2034	
Time Limit to Receive Tax Increment ¹	7/5/2036	6/18/2042	4/1/2049	
Tax Increment Limit ²				\$691.0 M
Bond Indebtedness Limit				\$210.0 M

Notes:

¹ The redevelopment plan time limits reflect amendments that have been adopted by the City Council to comply with time limits imposed under AB 1290, eliminate time limits on incurrence of debt as permitted under SB 211 (BWIP & WECIP) and extend plan effectiveness and debt repayment limits as permitted under SB 1045 (BWIP & WECIP) and SB 1096 (WECIP) only. For purposes of this report, the SB 211 amendment is not assumed to have eliminated the debt incurrence time limit for the Exchange Area portion of BWIP since that area was added in 2003 and SB 211 is available only for pre-1994 plans.

² Collected revenues before pass-through payments to taxing jurisdictions and deposits into the low and moderate income housing fund.



NOTE: APIP EXTENDS WEST AND INCLUDES ALL OF ALAMEDA POINT

B. Project Areas Blighting Conditions

The Redevelopment Plan areas showed that they shared similar blight characteristics, such as defective design and character of physical construction, residential overcrowding, small or irregular lots, inadequate public improvements, and varying degrees of social and economic maladjustments. These blight conditions are described in more detail below:

1. Historic Blighting Conditions – West End Community Improvement Project Area

In general, properties in the area suffered from deterioration and neglect due to irregularly formed or shaped lots and the inadequacy of such lots for proper usefulness and development. This situation resulted from historic industrial (such as the former Bethlehem Shipyard), commercial, and residential development patterns. This area suffered from poor vehicular circulation such as inadequate access and a functionally inefficient lot and block layout and small lots that were not conducive to attract major new investment. Prevalence of irregularly sized and shaped blocks and parcels made it difficult for new development to comply with zoning and setback requirements or for the private sector to assemble parcels for expansion of existing uses. The diverse property ownership pattern also impeded the private sector's ability to assemble lots for expansion of new development.

The most significant indicator of blight in the area, however, was the existence of inadequate public improvements. For example, WECIP suffered from inadequate infrastructure. Existing streets required resurfacing, reconstruction as well as sidewalk and curb repairs to improve access to the site. The storm drainage system in the Area was deficient; had insufficient capacity; and the local gutter system was inadequate, all of which resulted in periodic flooding of the Area. The majority of the Area's sanitary sewer network needed to be reconstructed. Thus, extensive public improvements were needed in the Area.

Historically, WECIP had a prevalence of social and economic maladjustments that contributed to blight. The 1980 Census for the Area indicated that its residential values were significantly below the City and Countywide average; that the Area's housing stock was considerably overcrowded; and that the Area had a significantly larger proportion of very low- and low-income households as well as a lower skilled labor force. City records also showed a decline in the City's retail sales tax receipts and a continued disproportionately small share of building permit activities in the Area. Thus, economic conditions in WECIP had declined or remained stagnant.

Table 2 summarizes the existing blight conditions in the WECIP project area as they apply to the blight criteria set forth in the Redevelopment Law at the time of plan adoption or amendments (pre-1994).

2. Historic Blighting Conditions – Business and Waterfront Improvement Project Area

At the time of the Plan Adoption, the properties in BWIP were improved and partially improved with a mixture of commercial, railroad, industrial and residential uses, as well as various public or quasi-public open spaces. Many of the sites were under different ownership and/or tenant leases and, in some cases, were subject to deed restrictions, which inhibited their development. In general, the properties were affected by conditions such as economic dislocation, deterioration and neglect resulting from faulty planning, the subdivision and sale of lots of irregular form and shape and inadequate size for usefulness and development, and a prevalence of insubstantial investments and economic decline, which led to a reduction of, or lack of, proper usage of the areas to such an extent that it constituted a serious economic burden on the community.

These conditions of blight and the overall under productivity of the Project Area had placed its properties in a very unfavorable competitive position with respect to newer and more comprehensive development at the time of the Plan Adoption.

Table 2 also summarizes the existing blight conditions in the BWIP project area, including the amendment area, as they apply to the blight criteria set forth in the Redevelopment Law at the time of plan adoption or amendments (pre 1994).

3. Historic Blighting Conditions – BWIP “The Exchange Area”

At the time the Amendment was adopted, the Exchange Area showed a prevalence of buildings and structures that were in varying states of deterioration and obsolescence, and/or which were unfit or unsafe to occupy because of building or fire code violations, and other structural problems associated with an aging building stock. The area also had a concentration of incompatible or mixed-character buildings.

As in the other two project areas, the Exchange Area suffered from inadequate infrastructure. Existing streets required resurfacing and reconstruction as well as sidewalk, curb, and gutter repairs. Traffic circulation within and around the Exchange Area was impeded. The storm drainage system in the Area was deficient; the pump station had insufficient capacity; and the local gutter system was inadequate. The sanitary sewer network was in need of reconstruction. Thus, extensive public improvements were needed in the Area.

In summary for both WECIP and BWIP, including the Exchange Area, redevelopment efforts have been undertaken to remove the blighting conditions since the date of the original plan adoptions and the subsequent amendments. However, these conditions are still prevalent today. The Five-Year Implementation Plan is designed to assist the Agency in its efforts to continue to eliminate blighting and declining economic conditions in the Project Area.

TABLE 2
PROJECT AREA PROFILE
5 YEAR IMPLEMENTATION PLAN 2010-2014
COMMUNITY IMPROVEMENT COMMISSION of the CITY OF ALAMEDA
BWIP AND WECIP PROJECT AREAS

	WECIP	BWIP	
		Original Area	Exchange Area
BLIGHT CONDITIONS — LAW AT THE TIME OF PLAN ADOPTION			
Multiple ownerships	X	X	
Vacant and underutilized land	X	X	X
Age, obsolescence, deterioration, dilapidation, mixed character, or shifting of uses	X	X	X
Economic dislocation, deterioration, or disuse resulting from faulty planning	X	X	X
Subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership	X	X	
Inadequate public improvements, public facilities, open spaces, and utilities which cannot be remedied by private or governmental action without redevelopment	X	X	X
Prevalence of depreciated values, impaired investments, and social and economic maladjustment	X	X	X

C. Overview of Plan Progress/Project Areas Accomplishments to Date

As detailed in the following list, during the prior implementation plan period, CIC successfully managed, participated in, and/or completed a number of projects and programs that have markedly improved the project areas. The projects and programs were funded through tax increment or tax allocation bonds.

BWIP, including Exchange Area:

- *Bridgeside Shopping Center*
- *Alameda Free Library and Construction Management*
- *1363 and 1365 Park Street (Peet's Coffee and Robeks Juice)*
- *Alameda Marketplace*
- *Historic Alameda Theatre Rehabilitation - 273 full time and part time jobs*
- *Cineplex Project, Public Parking Garage Construction, and Construction Management*
- *Bayport Residential – 5,000 construction jobs*
- *Wilver "Willie" Stargell Avenue Improvements (under construction)*
- *Park Street Improvements*
- *Buena Vista Utility Undergrounding*
- *Special Events:* CIC funds a series of special events including Commercial Brokers Forums, corporate human resources directors meetings, business retention site visits, and e-retail newsletter. The emphasis has been keeping jobs and retail dollars in Alameda and strengthening the downtown business districts and neighborhood stations. In conjunction with the City's already established "Mayor's Tree Lighting Ceremony," CIC staff has joined with City Recreation & Park staff and local business associations (Park Street, West Alameda, Greater Alameda, and the Chamber of Commerce) to augment this event by introducing a Holiday Tree Decorating Contest.
- *Annual Events:* Support for the Park Street Business Association's marketing and promotions.
- *Façade Assistance Program:* CIC provides both design assistance and funding to applicants to remodel their storefronts. Grants are used for painting, new awnings, signage, and restoration of missing architectural elements. The program is a key factor in changing in a positive way the appearance of the City's two downtown business

districts, Park and Webster, and also the “Stations,” smaller nodes of commerce located about Alameda’s long-defunct system of train stations. The program was streamlined to permit more rapid review of project applications through the use of email and pdfs. Each year, approximately 25 projects were completed. Over 100 projects have been completed in the last five years. However, in FY09, a record 40 projects were completed, with the investment value of \$500,000.

- *Regional Partnerships:* Support for and participation with the East Bay Economic Development Alliance and East Bay Green Corridor in their marketing and business attraction activities.
- *Newsrack Ordinance:* The CIC designated “special newsrack areas” with specifically designed newspaper vending machines to promote less congested and more visually appealing public streets, sidewalks, and pathways.
- *City Map Project:* CIC staff works with the City Map Project to create and distribute 10,000 up-to-date City of Alameda maps. In addition to the cartography, the map also features advertising from Alameda’s business community as well as a schedule of events for Alamedans throughout the year, many of which are sponsored by Alameda’s business associations.
- *Strategic Planning:* Participated with the Planning Division in the development of the Park Street District North of Lincoln Strategic Plan and the ongoing development of form-based codes.
- *Paul’s Newsstand:* In FY06, CIC staff concluded a several-year process to rehabilitate a vintage World War II newsstand, one of the last remaining in the Bay Area. The newsstand was put upon a secure base, painted, re-roofed, and given a legal electrical supply. Historically appropriate signage was also added. It is in use today as a daily vending source for papers.
- *Town Clock:* In FY07, CIC staff assisted a local business, Pillow Park Plaza, in its desire to donate a clock to the City. Staff arranged a place, the installation, and a dedication ceremony. Today, the clock stands on Park Street in a landscaped bed. It keeps time, is illuminated at night, and provides a classic focal point for the business district.
- *Business Assistance Program:* The CIC implemented a program to give financial assistance to new and existing businesses in or locating in Alameda that will create or retain jobs for low-to-moderate-income people. The first business to utilize the program will open in June 2010.

WECIP

- *Façade Assistance Program:* CIC provides both design assistance and funding to applicants to remodel their storefronts. Grants are used for painting, new awnings, signage, and restoration of missing architectural elements. The program is a key factor in changing in a positive way the appearance of the City's two downtown business districts, Park & Webster, and also the "Stations," smaller nodes of commerce located about Alameda's long defunct system of train stations. The program was streamlined to permit more rapid review of project applications through the use of email and pdfs. Each year, approximately 25 projects were completed. Over 100 projects have been completed in the last five years. However, in FY09, a record 40 projects were completed, with the investment value of \$500,000. CIC completed over 30 projects in the WECIP Area alone.
- *Annual Events:* Support for the West Alameda Business Association's marketing and promotions.
- Webster Street Improvements
- *Business Assistance Program:* The CIC implemented a program to give financial assistance to new and existing businesses in or locating in Alameda that will create or retain jobs for low-to-moderate-income people.

CIC progress in preserving and expanding the supply of housing available to low-and moderate-income households is described in Sections III of this Plan.

II. NON-AFFORDABLE HOUSING GOALS, OBJECTIVES, PLANNED PROGRAMS, EXPENDITURES FOR 5-YEAR IMPLEMENTATION PLAN PERIOD

In the 2004 Five-Year Implementation Plan update, it was stated that the City formulated policies in three efforts: the Alameda Citywide Retail Policy, the Alameda Downtown Vision Plan and the Economic Development Strategic Plan (EDSP). The policies of the EDSP were summarized as follows:

- Strategy #1: Support private sector property owners, property managers, developers and marketing agents in their efforts to create primary jobs through “clean” light-industrial and office business attraction and expansion.
- Strategy #2: Support the Chamber of Commerce, merchants and merchant associations in their efforts to increase the availability and quality of retail goods and professional services that meet the purchasing preferences of Alameda residents and the employees of Alameda firms.
- Strategy #3: Develop facilities to serve the business traveler, business conference market and vacationing tourists.
- Strategy #4: Create recreational and entertainment facilities that serve residents and employees of local firms as well as business and tourist visitors.
- Strategy #5: Provide for internal and external traffic circulation sufficient to permit the efficient flow of people and goods throughout the City and to and from its adjacent areas by creating a City Master Transportation system.
- Strategy #6: Establish Alameda as a center for the location for new enterprises spun off by regional businesses or local incubators and service sector businesses serving local business growth by establishing a public/private New Business Office.
- Strategy #7: Provide affordable housing opportunities throughout the City for current and future employees that would like to live in Alameda by implementing the recommendations of the ad hoc Home Ownership Committee and establishing new housing developments that fully integrate with the surrounding areas.

These principal goals remain relevant for the 2010 - 2014 Implementation Plan. The CIC updated the EDSP in 2008 to bring it current with new economic realities and City policies, such as the Transportation Master Plan and the Local Action Plan for Climate Protection.

A. BWIP, including Exchange Area

1. *Project Area Goals and Objectives*

The major goals of BWIP as stated in the previous implementation plan include:

- a. The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including among others, small and irregular lots, faulty exterior spacing, obsolete and aged building types, mixed character or shifting uses or vacancies, incompatible and unproductive or ineffectual land uses, substandard alleys and inadequate or deteriorated public improvements, facilities, and utilities.
- b. Facilitation of high priority privately or publicly sponsored catalyst development projects in the form of financial/ engineering/architectural/environmental analyses, site planning and project development, toxic remediation, land acquisition, etc. Catalyst projects will focus on initiatives that cost-effectively achieve the goals of the BWIP, encourage private investment, increase BWIP assessed value, and help achieve energy conservation and transportation system management objectives. Possible projects include: development or rehabilitation of commercial or entertainment facilities in commercial districts; reuse and/or redevelopment of underutilized sites in the Northern Waterfront as may be identified in the Northern Waterfront General Plan Amendment; adaptive reuse of existing industrial or commercial sites including, but not limited to, non-traditional residential activities such as live/work spaces, and acquisition, disposition or reuse of underutilized public or privately owned properties.
- c. Support for ongoing activities aimed at business retention/ attraction, business promotion, and enhancement of the economic mix in the BWIP area. Potential projects include creating and implementing, or contracting with local and regional business associations for design, promotional and business retention and attraction activities to strengthen retail and commercial business districts in the CIC's redevelopment areas.
- d. The strengthening of retail and other commercial functions in the historic downtown areas and the historic stations.
- e. The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements to stimulate new commercial/light industrial expansion, employment, and economic growth.
- f. The provision of opportunities for participation by owners and tenants in the revitalization of their properties.
- g. The provision of adequate land for open spaces.

- h. The expansion and improvement of the community's supply of low- and moderate-income housing.
- i. The expansion and improvement of the community's supply of market rate housing.
- j. To increase sales, business license, hotel occupancy and other fees, taxes and revenues to the City and other taxing bodies.
- k. To promote and create new local employment opportunities.
- l. To encourage uniform and consistent land use patterns
- m. The provision of adequate off-street parking to serve current and future uses.

2. CIC Goals and Objectives for the Next Five Years

Pursuant to meeting these Plan goals, the new Five-Year Implementation Plan establishes operational goals and objectives for the period 2010 to 2014, as follows:

- a. *Continue to implement strategic plans:* Continue to implement the Park Street District North of Lincoln Strategic Plan, the Parking Study, the Citywide Retail Policy, and the Webster District Strategic Plan.
- b. *Continue to upgrade public improvements.*
- c. *Assemble properties into developable sites.* There are additional problems associated with subdivided lots of inadequate size and in multiple ownerships. The Project Area contains structures and properties in need of rehabilitation, but the diverse property ownership pattern and other historical development patterns impede the private sector's ability to assemble sites. Site acquisition and assembly for affordable housing development will be a continuing priority over the next implementation period.
- d. *Rehabilitate aging commercial structures.* The Project area has problems with deficient economic use of buildings. A number of the commercial buildings in the historical downtown area were constructed over 50 years ago. As a consequence of structural aging, the utility of the structures has been greatly diminished. Many buildings still do not meet the needs of the contemporary uses and current market requirements. The Facade Assistance Program and the Business Assistance Program will be continued to encourage and support the adaptive reuse of historic buildings. In addition, CIC will be prepared to provide additional residential rehabilitation assistance and commercial development incentives as opportunities arise.

- e. *Provide financial assistance for new private development and promote an improved private investment climate.* The Project Area suffers from an impaired investment climate. Agency assistance has continued to be a requirement for new development to occur in the Project Area. Agency economic development programs, continued investment in public improvements, and housing initiatives will contribute in their aggregate effect to promote an improved investment climate.
- f. *Promote redevelopment in accordance with the Policy Documents and the General Plan.* These documents present a vision for the Project Area and its relationship to the rest of the City. The General Plan provides a guide for priorities and opportunities that may arise in the Project Areas, including the implementation of the Alameda Civic Center Vision Plan and the development of the Webster Street Vision Plan.

Achievement of these operational goals and objectives will help create the necessary conditions to attract new residential and commercial investment in the Project Area. Specific programs, projects, and expenditures for the 2010 to 2014 timeframe are discussed in the next section.

In addition, the CIC will support the expansion and revitalization of the affordable housing stock in the Project Area (Section III).

3. *Programs, Projects and Expenditures for the Next Five Years*

The CIC has identified programs and projects that may be implemented during the five-year period of the subject implementation plan (FY 2009/10 to 2014/15). A number of these programs are dependent upon the response by the private sector to CIC initiatives. Other program elements may be dependent upon funding sources not under CIC control, subsequent environmental assessment, and other factors. CIC will allocate its actual resources among those programs depending upon conditions in place at the time of implementation. Programs identified include the following:

a. *Public Facilities and Infrastructure Improvement Program.*

CIC will invest in capital improvements or will work jointly with the public sector and/or private sector to create public spaces and streetscape conditions that are supportive of development envisioned in the Project Area, will enhance pedestrian safety and will contribute to the creation of vibrant neighborhoods in the City. Potential future capital improvement projects include the following:

- Completion of Stargell Avenue extension
- Park Street District North of Lincoln Strategic Plan and related zoning

- Streetscape improvements in partnership with the City and/or private developers as redevelopment occurs
- Facilitation of first phase of Alameda Landing infrastructure construction
- Waterfront improvements consistent with the Northern Waterfront General Plan Amendment

b. Economic Development Projects and Programs

The Agency's on-going economic development activities to improve the business and economic climate of the Project Area will include:

- General economic development activities including providing resources for the implementation of the Economic Development Chapter of the General Plan; planning activities for a property-based community benefit district; funding support for downtown programming and signature events; and commercial investment on Park Street and Webster Street.
- Support mixed-use developments on currently vacant opportunity sites along Park Street and Webster Street in partnership with private developers.
- Assistance with assembling development sites for commercial projects
- Facilitation of phased development at Alameda Landing
- Support for business expansion and retention efforts
- Development of programs to attract new businesses
- Assistance to commercial development projects as opportunities arise

c. Administration and Planning

The administration and planning activities of CIC to its cover on-going operations as well as feasibility and planning studies, redevelopment plan amendments, and other administrative and planning activities necessary to implement the Redevelopment Plan. Expenditures over the next implementation cycle will cover:

- On-going administration of CIC

- Implementation of the Economic Development Strategic Plan, the Park Street District North of Lincoln Strategic Plan, the Parking Study, the Citywide Retail Policy, and the Webster District Strategic Plan
- Studies related to implementation of goals and objectives, including the neighborhood preservation and revitalization strategies; and marketing, promotion, and communication programs
- Planning, reporting, and implementation consistent with statutory requirements

4. How CIC's Projects and Programs will assist in Elimination of Blight

The proposed redevelopment projects and programs delineated in this Plan will advance the CIC's goals and objectives and eliminate blighting conditions in the Project Areas. The relationship between each proposed program and the elimination of blighting conditions is summarized in Table 3.

Unforeseen projects in addition to those identified may be pursued in the implementation of the specific programs identified. In all cases, CIC will only undertake those projects that are feasible given the resources at the time. There is no commitment to undertake projects beyond the resources of CIC, nor is the identification of possible projects and programs in this implementation plan constitute a formal approval by CIC of any specific project. It is anticipated that CIC will periodically review the above-proposed programs, projects and expenditures, and based upon its priorities and resources available at that time, amend the subject implementation plan as necessary.

B. WECIP

1. Project Area Goals and Objectives

The major goals of the WECIP as stated in the previous implementation plan include:

- a. To provide a more diversified and stable economic base for the Project Area and community.
- b. Support for ongoing activities aimed at business retention/ attraction, business promotion, and enhancement of the economic mix in the WECIP area. Potential projects include creating and implementing, or contracting with local and regional business associations for design, promotional and business retention and attraction activities to strengthen retail and commercial business districts in the CIC's redevelopment areas.
- c. To provide safer, more efficient, and economical movement of persons and goods within the Project Area and community.

- d. To conserve and improve existing public facilities and to provide new such facilities as needed for the full and complete development of the Project Area and community.
- e. To provide additional housing opportunities for the Project Area and community, including opportunities for low- and moderate-income households.
- f. To provide additional employment opportunities for residents of the community.
- g. To enhance the natural areas of the West End of Alameda and emphasize its favorable environmental factors.

Table 3
BLIGHTING CONDITIONS ADDRESSED BY GOALS, OBJECTIVES, POTENTIAL PROJECTS AND PROGRAMS
5 YEAR IMPLEMENTATION PLAN, 2010-2014
COMMUNITY IMPROVEMENT COMMISSION of the CITY OF ALAMEDA
BWIP, INCLUDING EXCHANGE AREA

	Goals and Objectives					Proposed Projects and Programs		
	Upgrade Public Improvements	Rehabilitate Commercial and Residential Structures	Support Property Assemblage Developable Sites	Provide Financial Assistance for New Private Development	Promote Redevelopment in accordance with ESDP	Public Facilities and Infrastructure Improvements	Economic Development Projects and Programs	Admin. and Planning
Blight Conditions - Current Law								
Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions may be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious seismic or geologic hazards, and faulty or inadequate water or sewer utilities.		X		X			X	X
Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. These conditions may be caused by buildings of substandard design, defective or obsolete design or construction, given the present general plan, zoning or other development standards.	X	X		X	X		X	X
Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the Project Area.					X		X	X
The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate sizes, given present general plan and zoning standards and present market conditions.			X	X			X	X
Inadequate public improvements, public facilities, open spaces, and utilities which cannot be remedied by private or governmental action without redevelopment. (blight condition at time of adoption).	X			X	X	X		X
Depreciated or stagnant property values or impaired investments	X	X	X	X	X	X	X	X
Impaired property values, due in significant part, to hazardous wastes on property where the agency authority may be eligible to use its authority as specified in Article 12.5) commencing with Section 33459).			X	X			X	X
Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings.	X	X	X	X	X	X	X	X
A serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.								
Serious residential overcrowding that has resulted in significant public health and safety problems.								
A high crime rate that constitutes a serious threat to the public safety and welfare.								

2. CIC Goals and Objectives for the Next Five Years

Pursuant to meeting these Plan goals, the new Five-Year Implementation Plan establishes operational goals and objectives for the period 2010 to 2014, as follows:

- a. *To continue to promote economic development:* CIC will continue to work to provide a more diversified and stable economic base for the Project Area and community
- b. *To continue to retain existing jobs and attract new jobs:* To support, retain and attract employment opportunities for residents of the community
- c. *To conserve and improve existing public facilities:* To retain and to provide new facilities as needed for the full and complete development of the Project Area and community.
- d. *To increase municipal revenues:* To increase sales, business license, hotel occupancy and other fees, taxes and revenues to the City and other taxing bodies.
- e. *Promote redevelopment in accordance with the Policy Documents and the General Plan.* These documents present a vision for the Project Area and its relationship to the rest of the City. The General Plan provides a guide for priorities and opportunities that may arise in the Project Areas

Achievement of these operational goals and objectives will help create the necessary conditions to attract new investment in the Project Area. Specific programs, projects, and expenditures for the 2010 to 2014 timeframe are discussed in the next section.

In addition, the CIC will support the expansion and revitalization of the affordable housing stock in the Project Area (Section III).

3. Programs, Projects and Expenditures for the Next Five Years

CIC has identified programs and projects that may be implemented during the five-year period of the subject implementation plan (FY 2009/10 to 2014/15). Due to the overall economic recession and the lack of developer activity in the Project Area, CIC anticipates limited new, non-housing programs or projects over the next five years. CIC will further advance existing projects and programs. Descriptions of these activities as well as the blighting conditions to be addressed are as follows:

- a. *Public Facilities and Infrastructure Improvement Program.*

CIC will invest in capital improvements or will work jointly with the public sector and/or private sector to create public spaces and streetscape conditions that are supportive of

development envisioned in the Project Area, will enhance pedestrian safety and will contribute to the creation of vibrant neighborhoods in the City. Potential future capital improvement projects include the following:

- Streetscape improvements in partnership with the City and/or with private developers for as redevelopment occurs
- Waterfront improvements consistent with the Northern Waterfront General Plan Amendment

b. Economic Development Projects and Programs

The Agency's on-going economic development activities to improvement the business and economic climate of the Project Area will include:

- General economic development activities including providing resources for the implementation of the Economic Development Chapter of the General Plan and planning activities for a property-based community benefit district
- Implementation of the Alameda Landing Disposition and Development Agreement with Palmtree Associates, LLP (Catellus)
- Assistance with assembling development sites for commercial projects
- Preparation of a Webster Street Visioning Plan
- Support for business expansion and retention efforts
- Development of programs to attract new businesses
- Assistance to commercial development projects as opportunities arise

c. Administration and Planning

The administration and planning activities of CIC cover its on-going operations as well as feasibility and planning studies, redevelopment plan amendments, and other administrative and planning activities necessary to implement the Redevelopment Plan. Expenditures over the next implementation cycle will cover:

- On-going administration of CIC
- Implementation of the Economic Development Strategic Plan and the Webster District Strategic Plan

- Studies related to implementation of goals and objectives, including the neighborhood preservation and revitalization strategies; and marketing, promotion, and communication programs.

4. How CIC's Projects and Programs will assist in Elimination of Blight

The proposed redevelopment projects and programs delineated in this Plan will advance the CIC's goals and objectives and eliminate blighting conditions in the Project Areas. The relationship between each proposed program and the elimination of blighting conditions is summarized in Table 4.

Unforeseen projects in addition to those identified may be pursued in the implementation of the specific programs identified. In all cases, CIC will only undertake those projects that are feasible given the resources at the time. There is no commitment to undertake projects beyond the resources of CIC, nor is the identification of possible projects and programs in this implementation plan constitute a formal approval by CIC of any specific project. It is anticipated that CIC will periodically review the above-proposed programs, projects and expenditures, and based upon its priorities and resources available at that time, amend the subject implementation plan as necessary.

C. Financing Redevelopment Activities (Merged Project Areas)

Estimates of CIC's revenues, expenditures and net revenues available for projects and programs over the next five years are shown on Table 5A and 5B. It is estimated that a total of \$63.5 million of revenue (net of deposits to the Low/Moderate Housing Fund) will be generated over the five-year period.

CIC's non-discretionary expenses include debt service obligations, payments to taxing agencies and administration expenses. Debt service expenses are estimated to total \$23.3 million over the period, taxing agency payments are estimated to total \$13.7 million and administration expenses are estimated to total \$12.0 million. As shown on Table 5, the combined cumulative total of non-discretionary expenditures over the five years is anticipated to total \$56.7 million. Some of these funds are contractually obligated to support planned projects.

SERAF

The amount of net revenues that will be available to CIC to fund future discretionary projects and programs will be significantly impacted by the ultimate outcome of the SERAF legislation (SB 26 4x). Under this recently approved legislation, CIC is obligated to make a payment of approximately \$4.4 million prior to May 10, 2010 and a payment of approximately \$912,000 prior to May 10, 2011. SB 26 4x is currently being legally challenged. If the court upholds the legislation, then CIC anticipates spending approximately \$6.8 million of funds for discretionary projects and programs (Table 5A) over the five-year period. If the legislation is repealed, then CIC expenditures on programs will increase to approximately \$9.5 million (Table 5B).

Table 4

**BLIGHTING CONDITIONS ADDRESSED BY GOALS, OBJECTIVES, POTENTIAL PROJECTS AND PROGRAMS
5 YEAR IMPLEMENTATION PLAN, 2010-2014
COMMUNITY IMPROVEMENT COMMISSION of the CITY OF ALAMEDA
WECIP PROJECT AREA**

	Goals and Objectives					Proposed Projects and Programs			
	Upgrade Public Improvements	Rehabilitate Commercial Structures	Support Property Assemblage Developable Sites	Promote Redevelopment in accordance with EDSP	Public Facilities and Infrastructure Improvements	Economic Development Projects and Programs	Admin. and Planning		
Blight Conditions - Current Law									
Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions may be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious seismic or geologic hazards, and faulty or inadequate water or sewer utilities.		X					X		X
Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. These conditions may be caused by buildings of substandard design, defective or obsolete design or construction, given the present general plan, zoning or other development standards.	X	X		X			X		X
Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the Project Area.				X			X		X
The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate sizes, given present general plan and zoning standards and present market conditions.			X				X		X
Inadequate public improvements, public facilities, open spaces, and utilities which cannot be remedied by private or governmental action without redevelopment. (blight condition at time of adoption).	X			X		X			X
Depreciated or stagnant property values or impaired investments	X	X	X	X		X	X		X
Impaired property values, due in significant part, to hazardous wastes on property where the agency authority may be eligible to use its authority as specified in Article 12.5) commencing with Section 33459).			X				X		X
Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings.									
A serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.									
Serious residential overcrowding that has resulted in significant public health and safety problems.									
A high crime rate that constitutes a serious threat to the public safety and welfare.									

Source: CIC; KMA

Prepared by: Keyser Marston Associates, Inc.

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TABLE 5 - B
FUNDS AVAILABLE FOR NON HOUSING REDEVELOPMENT ACTIVITIES - NO SERAF OBLIGATION
MERGED PROJECT AREA (BWIP & WECIP)

\$Thousands	2009-10	2010-11	2011-12	2012-13	2013-14	Total For Five Years
Beginning Cash Balance ⁽¹⁾	9,103	6,531	5,828	6,003	6,160	
REVENUES ⁽²⁾						
Tax Increment (net of 20% housing funds)	12,103	12,301	12,562	12,828	13,100	62,895
Interest Income	60	60	60	60	60	298
Miscellaneous Revenues (one time)	286	0	0	0	0	286
Total Annual Revenues	12,448	12,361	12,622	12,888	13,159	63,478
EXPENDITURES ⁽²⁾						
Non Discretionary Expenditures						
Pass Throughs and County Admin Fee	2,594	2,620	2,709	2,815	2,923	13,661
Bond Debt Service ⁽³⁾	3,858	4,802	4,846	4,883	4,897	23,286
DDA / OPA Obligations ⁽⁴⁾	721	1,709	1,810	1,865	1,781	7,887
Administration, Planning, Professional Services	2,177	2,286	2,400	2,520	2,646	12,029
Total Non Discretionary Expenditures	9,350	11,417	11,766	12,083	12,247	56,862
SERAF Obligation	Scenario If No SERAF Obligation					
Discretionary Projects and Programs						
Grants (Chamber, GABA, WABA, PSBA) ⁽⁵⁾	275	275	275	275	275	1,373
Ruby Bridges Park	2,055	0	0	0	0	2,055
Stargell Extension (match)	2,949	0	0	0	0	2,949
Theater/Parking Project (portion)	100	0	0	0	0	100
Park and Buena Vista Electrical Upgrade	292	0	0	0	0	292
Available for Future Projects	0	1,372	407	373	557	2,709
Total Discretionary Projects and Programs	5,671	1,647	682	648	832	9,478
Total Expenditures	15,020	13,064	12,448	12,730	13,079	66,341
Ending Cash Balance ⁽⁶⁾	6,531	5,828	6,003	6,160	6,241	

Source: 2009-10 figures based on CIC mid-year budget estimates. FY 2010-11 forward based upon KMA projection. Does not include FISC lease revenues and expenditures.

Notes:

- (1) 2009-10 beginning cash balance of \$9,606,000 adjusted to exclude \$506,000 in receivables and add \$41,000 reversal of prior year payroll payable.
- (2) Excludes revenues and expenditures related to a) the transfer of TI between BWIP and Bayport / FISC funds b) Marina Village OPA, and c) FOCIL Farallon items that do not generate a net cash flow to the CIC .
- (3) 2009-10 debt service reflects use of available fund balance in the CIC's debt service account to fund a portion of the \$4.8 million in debt service.
- (4) Includes Bridgeside, Bayport, Alameda Landing, 1629 Webster St. obligations. Does not include remaining Marina Village obligations to be funded from escrowed bond proceeds. Assumes \$500k payment of TI toward Bayport obligation in 2009-10.
- (5) Grants are to the Alameda Chamber of Commerce, Greater Alameda Business Association (GABA), West Alameda Business Association (WABA), and Park Street Business Association (PSBA)
- (6) Target for a six-month operating cash reserve.

Source: CIC, KMA

Prepared by: Keyser Marston Associates, Inc.

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TABLE 5 - B
FUNDS AVAILABLE FOR NON HOUSING REDEVELOPMENT ACTIVITIES - NO SERAF OBLIGATION
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- (5) Grants are to the Alameda Chamber of Commerce, Greater Alameda Business Association (GABA), West Alameda Business Association (WABA), and Park Street Business Association (PSBA)
- (6) Target for a six-month operating cash reserve.

Source: CIC, KMA

Prepared by: Keyser Marston Associates, Inc.

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III. HOUSING COMPLIANCE AND PLAN

A. Introduction

This is the Affordable Housing Compliance portion of the Implementation Plan. It has been prepared to meet the requirements of the California Redevelopment Law (CRL) and to guide CIC in its housing related activities over the next ten years. Specifically, this report addresses the following sections of the California Health and Safety Code:

- Low and moderate-income housing production requirements (Section 33413)
- Replacement housing requirements (Section 33413)
- Twenty percent (20%) housing fund requirements (Section 33334.2)
- Housing fund expenditure targeting requirements (Section 33334.4)

In 1991, the California State Legislature adopted Assembly Bill 315, which added Subsection 33413(b)(4) to the State Health and Safety Code. AB 315 requires each redevelopment agency to adopt a plan demonstrating how the agency will comply with the affordable housing production requirements of the Code. The plan is often referred to as an AB 315 Plan.

In 1993, the Legislature adopted Assembly Bill 1290, a comprehensive redevelopment reform bill. One of the key provisions is the requirement that each agency prepare and adopt an overall Implementation Plan. The Implementation Plan incorporates the AB 315 requirements for the housing portion of redevelopment activities and establishes a time frame and process for the plan as a whole. AB 1290 also specifies additional requirements with respect to housing production compliance and expenditures of the Agency's Low- and Moderate-Income Housing Fund monies. AB 1290 also requires that the Plan be consistent with the City's Housing Element, which has its own time line for adoption and amendment.

In 2002, Assembly Bill 637 and Senate Bill 211 were added to the Community Redevelopment Law. AB 637 changed the redevelopment agency affordable housing production, replacement housing, and Low- and Moderate-Income Housing Fund requirements. SB 211 established a simplified procedure to eliminate debt incurrence time limits for pre-1994 plans, allowed amendments to redevelopment plans to extend plan effectiveness/tax increment receipt deadlines for pre-1994 plans, and required that certain affordable housing obligations be met by the end of the redevelopment plans. Due to several inconsistencies created by these two pieces of new legislation in the Community Redevelopment Law, a third piece, Senate Bill 701, was adopted in 2003 to "clean up" and clarify much of the confusion created by AB 637 and SB 211, and to make some additional changes to the Redevelopment Law.

This section, therefore, is CIC's AB 315 Plan as well as the housing portion of CIC's AB 1290 Implementation Plan, updated with the changes required by the three pieces of legislation, AB 637, SB 211 and SB 701. Per AB 315 and as amended by SB 637, CIC is required to meets it

housing production requirements during each specific ten year period (from January 1, 2005 to December 31, 2014). Per SB 701, CIC actually has an initial 13-year compliance period (from January 1, 2002 to December 31, 2014) to meet its first round of Housing Fund targeting requirements. Under this provision, 2014 becomes the ending date for compliance with both sets of requirements.

Per AB 1290, CIC must adopt an Implementation Plan, with its housing component, for 2010-2014. The law requires that the Plan be reviewed in a public hearing, and by inference amended if desirable, between two and three years after adoption. A new Implementation Plan is required to be prepared and adopted every five years.

B. Affordable Housing Production Compliance Status

1. Housing Production Requirement

State law requires defined percentages of newly constructed and substantially rehabilitated housing within the Project Areas that must be restricted for very low-, low- and moderate-income households. At least 15% of all new or substantially rehabilitated units in a Project Area that were not developed / significantly rehabilitated by CIC must be affordable to and occupied by very low-, low- and moderate-income households. Of the required 15% affordable housing, 40% must be restricted to very low-income households.

For units that were either directly developed or substantially rehabilitated by CIC, the affordable housing production requirement is that at least 30% of these units must be restricted to very low-, low- and moderate-income households. And, not less than 50% of the requisite affordable units shall be available at affordable housing cost to and occupied by very low-income households. In the case of CIC, no such housing has been produced.

"Substantially rehabilitated" means rehabilitation in which the value of the rehabilitation constitutes 25% of the after-rehabilitation value of the dwelling unit(s). Originally, under AB 1290, the rehabilitated units to be included in this calculation consisted of all one- and two-unit complexes that have undergone substantial rehabilitation with CIC assistance, and all multi-family rented dwelling units with three or more units that are substantially rehabilitated, regardless of the funding source. As amended by SB 701 and AB 637, however, as of January 1, 2002, the multi-family units to be counted must be substantially rehabilitated and have received agency assistance.

The definitions of very low income, low income, and moderate income are established for each county by the U.S. Department of Housing and Urban Development, based on the median income for the county. Generally, very low income refers to less than 50% of the median income. Low to moderate income refers to less than 120% of median. Income levels meeting these definitions vary by household size. "Affordable housing cost" is defined in Sections

50052.5 and 50053 of the Health and Safety Code and can vary depending on whether the housing is rental or owner-occupied.

In order for units to count toward meeting CIC's affordable housing production requirements, prices or rent for units must be restricted by CIC-imposed covenants or restrictions recorded against the real property in which the units are located. These covenants and restrictions must remain in effect for the "longest feasible time," but in any event not less than specified minimum time periods. AB 637 imposed a minimum duration periods of 55 years for rental units and 45 years for owner-occupied units. These minimum periods are required for affordable covenants recorded after January 1, 2002. For units constructed prior to January 1, 2002, the minimum period for affordability covenants is the remaining life of the redevelopment plan.

2. Housing Counted Toward Meeting the Housing Production Requirement

Per Redevelopment Housing Law, units to be counted towards meeting the CIC's housing production requirement include the following:

- New construction and substantially rehabilitated units, with affordability covenants; existing multi-family units on which covenants have been purchased with CIC assistance so that the units will remain affordable for the period. At least 50% or more of these purchased covenants must be for very low-income households. Units acquired through covenant purchase cannot constitute more than 50% of the units included to meet the housing production requirement;
- Covenanted units caused to be produced by CIC located outside the Project Areas but within the City of Alameda. One unit for every two produced outside of the Project Areas may count towards CIC's housing production requirement.

Units produced to replace affordable units that have been removed as a result of redevelopment action are not included in the CIC's count of new compliant units. Neither are deed-restricted ownership units which have been sold and the affordability covenants lifted prior to the expiration of the requisite affordability period included in CIC's compliant unit count, unless the housing funds are recaptured and used to assist another unit at the same income level within three years of sale and appropriate affordability covenants are placed on the new unit.

C. BWIP, Including Exchange Area

1. Summary of Affordable Housing Production and Compliance Status – 1991 through 2009

The table below summarizes the housing production activity within BWIP, including the Exchange Area, since its adoption to the end of the prior implementation period. None of the housing units produced within the Project Area was built by CIC. Consequently, only “Non-Agency-built” production requirements are applicable to CIC. The applicable inclusionary housing requirement for “Non-CIC-built” production is a minimum of 15% of all built and significantly rehabilitated units must be restricted as low- to moderate-income units, of which at least 6% must be restricted as very low-income units.

In June 2004, CIC adopted a resolution increasing the inclusionary requirement to 25%. This resolution was subsequently amended in November 2009, to roll back inclusionary requirements to 15%. The amended resolution was approved in conjunction with adopting a density bonus ordinance.

- *Period of 1991 through December 31, 2004 (1st Ten Year Production Compliance Period)*

As shown below, a total of 302 units had been built or substantially rehabilitated in the BWIP Project Area from the adoption of the Redevelopment Plan (1991) to the end of the first ten-year production period (2004). Under the affordable housing production requirements, 45 affordable units were required, of which 18 units must be affordable to very low-income households.

Of the total 302 new/substantially rehabilitated units produced in the Project Area between 1991 and 2004, 50 units have requisite affordability covenants for very low- to moderate-income households. Of the 50 units with covenants, 35 units are restricted to very low-income households.

<i>BWIP, including Exchange Area (1991 through 2004)</i>	<i>Total New/Substantially Rehabilitated Units in the Project Area</i>	<i>Very Low to Moderate Income Units</i>	<i>Very Low Income Units</i>
Total Units Built/Substantially Rehabilitated (through 2004)	302		
Required Minimum No. of Units		45	18
Provided Deed Restricted Units		50	35
Number In Excess of Minimum Requirement (through 2004)		5	17

- *Period of FY 2004/05 through FY 2008/09 (prior Implementation Plan Period)*

The table below shows the housing activity and compliance for the prior implementation period (2005-2009). As shown, a total of 594 new units were constructed in the Project Area over the last five years. Of the 157 units with covenants, 53 units are restricted to very low-income households.

BWIP, Incl. Exchange Area (2005 through 2009)	Total New/Substantially Rehabilitated Units in the Project Area	Very Low to Moderate Income Units	Very Low Income Units
Total Units Built/Substantially Rehabilitated (through 2009)	594		
Required Minimum No. of Units		89	36
Provided Deed Restricted Units		157	53
Number In Excess of Minimum Requirement (through 2009)		68	17

- *Cumulative Production Status (1991 through December 31, 2009)*

As summarized in the following table, CIC continues to remain in full compliance with the CRL affordable housing production requirements. The number of deed restricted units exceeds the minimum requirement of the law by 73 units. The number of very low income units exceeds the minimum requirement of the law by 34 units.

BWIP, Incl. Exchange Area (1991 through 2009)	Total New/Substantially Rehabilitated Units in the Project Area	Very Low to Moderate Income Units	Very Low Income Units
Total Units Built/Substantially Rehabilitated (through 2009)	896		
Required Minimum No. of Units		134	54
Provided Deed Restricted Units		207	88
Number In Excess of Minimum Requirement (through 2009)		73	34

2. Anticipated Housing Production and Status through 2014

The State Law, as clarified in AB 1290, requires that redevelopment agencies meet their affordability production requirements every ten years. The end date of the current 10-year period is December 31, 2014. The AB 315 Plan and the more stringent AB 1290 implementation plan require redevelopment agencies to delineate how they intend to meet the production requirements by the end of the ten-year period.

One component of the Plan is, therefore, documentation of the specific projects and actions that will be undertaken to generate the required number of affordable units. A second component is

general policies and procedures that the City and CIC plan to pursue to increase and encourage the production of affordable housing in the Project Areas.

a. Specific Projects and Actions

To estimate the number of units that will likely need to be produced within the next ten years and through the life of the Plan, the Agency has evaluated the status of sites that are:

- Under construction;
- Under the control of CIC;
- Have submitted development proposals;
- Identified in the Draft Housing Element of the General Plan as potential housing sites with the Project Areas; or
- Have the potential for residential development based on recent local development trends.

Based on this assessment, CIC has identified the following specific projects to be developed over the next five years in the Project Area:

Jan 1, 2010 – Dec 31, 2014

Project	Market	Low to Moderate	Very Low
Boatworks (Clement @ Oak)	153	22	0
Alameda Landing	225	57	18
Grand Marina	30	8	2
2438 Central Ave. (Islander Hotel)	0	25	37
2216 Lincoln*	0	0	9**
2437 Eagle	0	8	12
1435 Webster St.	0	7	9

**Outside the Project Area*

*** ½ of the total very low-income units produced*

In addition to these specific projects, CIC intends to actively pursue other new development opportunities throughout the City of Alameda. The City's Housing Element of the General Plan also identifies vacant sites, opportunity sites and mixed use opportunity sites within BWIP that could support over 595 additional units. It is anticipated that these units will be constructed between 2010 and 2028 and will include at least 15% affordable units. As appropriate, CIC will assist in assembling these sites and providing needed financial assistance.

The City has adopted a both an Inclusionary Zoning Ordinance and Density Bonus Ordinance. The purpose of this Density Bonus Ordinance is to create incentives for the provision of affordable housing, senior housing and the development of child care facilities in

Alameda. The City's overall goal for these sites is in excess of the 15% affordable housing inclusionary target, but actual provisions will vary from project to project.

b. Anticipated Ten-Year Affordable Housing Production Compliance Status (through 2014)

It is estimated that a total of 613 housing units will have been built or substantially rehabilitated in BWIP from 2010 through 2014. This amount of development translates into a production requirement of 92 very low- to moderate-income units, including 37 very low-income units, consistent with the Redevelopment Law requirement of 15% low- to moderate-income units (including 6% very low-income units) for non-CIC built projects. It is estimated that a total of 214 newly constructed units will be restricted to very low- to moderate-income households, with 87 restricted to very low-income households.

As noted in the previous table, 2216 Lincoln Ave is located outside the Project Area. A 19-unit project for very low-income residents is planned. This project will be partially funded with BWIP funds in exchange for a 55-year covenant. Therefore, nine very low-income units are included as production units.

With these projected new units, and including the prior term production units, at the close of this ten-year period (December 31, 2014), it is anticipated that BWIP will continue be in full compliance with the CRL affordable housing production requirements. At that time, the number of very low- to moderate-income units will exceed the minimum requirements by 195 units. The number of very low-income units will exceed the minimum requirement by 84 units.

BWIP, incl. Exchange Area (1991 through 2014)	Total New/Substantially Rehabilitated Units in the Project Areas	Very Low to Moderate Income Units	Very Low Income Units
Total Units Built/Substantially Rehabilitated (through 2014)	1,509		
Required Minimum No. of Units		226	91
Deed Restricted Units		421	175
Number In Excess of Minimum Requirement (through 2014)		194	83

c. Anticipated Affordable Housing Production over the Next 10 Years (through 2019)

Over the next ten years (January 1, 2010 – December 31, 2019), it is estimated that a total of 228 new deed restricted units will be built in BWIP, including the Exchange Area, with 87 units restricted to very low-income households. In addition, CIC anticipates placing deed restrictions on nine very low-income units to be built outside of the Project Area.

3. *Affordable Housing Production Compliance over the Life of the Project*

The 1994 amendment to AB 1290 (Bergeson, SB 732) requires that the Housing Production Plan address affordable housing compliance over the life of the Redevelopment Plan. For BWIP, the termination date is 2032.

CIC, through its policy of targeting at least a 15% inclusionary requirement for all residential projects and providing assistance to develop new affordable homes, intends to continue to exceed the legal minimum affordable housing production requirements throughout the life of the project area.

For BWIP, it is expected that a total of 2,036 new or substantially rehabilitated units will have been developed from 1991 through the end of the plan. This activity will trigger a requirement for 306 very low- to moderate- income units, including 124 very low-income units. In comparison, it is estimated that a total of 500 deed restricted units will have been built, including 206 very low income units.

4. *Replacement Unit Compliance Status*

California Redevelopment Law requires that dwelling units housing persons and families of low- or moderate-income removed as a result of redevelopment action must be replaced by an equal number of units that have an equal or greater number of bedrooms as those removed. Prior to January 1, 2002, 75% of the replacement units were required to be affordable to households at the same or lower income levels as the household displaced. Post January 1, 2002, 100% of the replacement units must be affordable to households at the same or lower income levels as those displaced. Demolished units must be replaced within four years of being removed.

No affordable units have been removed by CIC actions. Over the next five-year period, CIC anticipates that there will be no replacement of existing affordable units.

D. WECIP

1. *Summary of Affordable Housing Production and Compliance Status – 1991 through 2009*

The table below summarizes the housing production activity within WECIP since its adoption to the end of the prior implementation period. None of the housing units produced within the Project Area were built by CIC. Consequently, only “Non-Agency-built” production requirements are applicable to CIC. The applicable inclusionary housing requirement for “Non-CIC-built” production is a minimum of 15% of all built and significantly rehabilitated units must be restricted as very low- to moderate-income units, of which at least 6% must be restricted as very low-income units.

- *Period of 1991 through December 31, 2004 (1st Ten Year Production Compliance Period)*

As shown below, a total of 364 units had been built or substantially rehabilitated in WECIP from the adoption of the Redevelopment Plan (1983) to the end of the first ten-year production period (2004). Under the affordable housing production requirements, 55 affordable units were required, of which 22 units must be affordable to very low-income households.

Of the total 364 new/substantially rehabilitated units produced in the Project Area between 1991 and 2004, 134 units have requisite affordability covenants for very low- to moderate-income households. The key affordable project built during this period was the CIC-assisted Independence Plaza, with 128 affordable units (out of a total of 186 units). Additionally, CIC assisted the development of six deed-restricted units in Marina Village. Of the 134 units with covenants, 92 units are restricted to very low-income households.

WECIP (1983 through 2004)	Total New/Substantially Rehabilitated Units in the Project Area	Very Low to Moderate Income Units	Very Low Income Units
Total Units Built/Substantially Rehabilitated (through 2004)	364		
Required Minimum No. of Units		55	22
Provided Deed Restricted Units		134	92
Number In Excess of Minimum Requirement (through 2004)		79	70

- *Period of FY 2004/05 through FY 2008/09 (prior Implementation Plan Period)*

No residential development occurred in the Project Area during the last implementation period. Therefore, there were no new affordable housing production requirements.

- *Cumulative Production Status (1991 through December 31, 2009)*

As summarized in the following table, CIC continues to remain in full compliance with the CRL affordable housing production requirements. The number of deed restricted units exceeds the minimum requirement of the law by 79 units. The number of very low-income units exceeds the minimum requirement of the law by 70 units.

WECIP (1983 through 2009)	Total New/Substantially Rehabilitated Units in the Project Area	Very Low to Moderate Income Units	Very Low Income Units
Total Units Built/Substantially Rehabilitated (through 2009)	364		
Required Minimum No. of Units		55	22
Provided Deed Restricted Units		134	92
Number In Excess of Minimum Requirement (through 2009)		79	70

2. Anticipated Housing Production and Status through 2014

CIC does not anticipate that any residential development will occur in WECIP. Given the absence of residential development in WECIP, the CRL's affordable housing production requirements do not apply.

3. Affordable Housing Compliance over the Life of the Project

The 1994 amendment to AB 1290 (Bergeson, SB 732) requires that the Housing Production Plan address affordable housing compliance over the life of the Redevelopment Plan. For WECIP, the termination date is 2026.

CIC, through its policy of targeting at least a 15% inclusionary requirement for all residential projects and providing assistance to develop new affordable homes, intends to continue to exceed the legal minimum affordable housing production requirements throughout the life of the project area. For WECIP, it is expected that a total of 364 new or substantially rehabilitated units will have been developed from 1983 through the end of the plan. This activity will trigger a requirement for 55 very low- to moderate-income units, including 22 very low-income units. In comparison, it is estimated that a total of 134 deed restricted units will have been built, including 92 very low-income units.

During the period Jan 1, 2015 – Dec 31, 2019, CIC anticipates assisting in development of a deed restricted 40-unit project adjacent to WECIP. Should that project be developed, 20 units with covenants would be production units for WECIP.

4. Replacement Unit Compliance Status

No affordable units have been removed by CIC actions. Over the next five-year period, CIC anticipates that there will be no replacement of existing affordable units.

E. Housing Fund Revenues and Expenditures (Merged Project Area)

The CRL requires a redevelopment agency to direct at least 20% of all gross tax increment revenues generated in its project areas to separate Low and Moderate Income Housing Funds. These funds must be used for the purpose of increasing, improving or preserving the supply of low and moderate income units within the community. To fulfill this purpose, redevelopment agencies may expend funds on a fairly broad range of uses for affordable housing, including land acquisition, building acquisition, construction of new units, on- and off-site improvements, rehabilitation of existing units, a portion of principal and interest payments on bonds, loans and subsidies to buyers or renters, and other programs that meet the stated objectives.

This section summarizes CIC's Housing Fund resources now available and expected to be available over the next five years, and how those resources will be expended to meet the purposes summarized above.

1. Housing Fund Resources, 2010 – 2014

CIC receives revenue solely from the property tax increment on property within its redevelopment areas and from interest on fund balances. Upon receipt, this revenue is divided into two funds: *Housing Set Aside Fund* and *Agency General Fund*. The Redevelopment Law requires that no less than 20% of gross tax increment must be deposited into a Low and Moderate Income Housing Fund and used strictly for low- to moderate-income housing activities.

The following agreements control how the BWIP and WECIP housing funds are spent:

- In 1989, an all-senior 186-unit development, Independence Plaza, was constructed in WECIP. At that time, CIC entered into an agreement committing 20% set-aside funds not needed for administrative expenses or debt service to this project, in an amount sufficient to subsidize rent and operations for the very low- and low-income units. It is anticipated that the contractual obligations regarding Independence Plaza will continue for the life of WECIP. Eighty-six percent (86%) of WECIP funds is targeted to the senior housing project and fourteen percent (14%) to housing for persons regardless of age.
- CIC entered an agreement with the Alameda Unified School District (AUSD) in which 40% of the BWIP 20% housing set-aside funds is available to AUSD to develop affordable housing for households with income levels less than 80% AMI, subject to the requirements of State Redevelopment Law.
- CIC entered into the Guyton Settlement Agreement in 1990 with the Legal Aid Society of Alameda that requires the all BWIP and WECIP Housing Set Aside Funds be used exclusively in the production of housing for low- and very low-income families (less than

80% AMI) until the City of Alameda has met its 1995 fair share of the regional housing need, as determined by ABAG.

The cash flow projection for the BWIP and WECIP Low and Moderate Income Housing Funds is presented on Table 6A and 6B (with and without the SERAF obligation. See Section II.C). As shown, it is estimated that the Housing Funds will have a combined balance of \$3.3 million (excludes ASUD Agreement Deposit) at the beginning of 2010. Over the next five years housing fund deposits are expected to average \$3.0 million per year, totaling \$15.2 million over the five-year period. In addition, \$845,000 is projected due to interest earned and to the repayment of the SERAF loan with non-housing funds. The cumulative total of available resources over the five-year period is anticipated to be approximately \$19.3 million.¹

Estimated Annual Tax Increment Deposits into Combined WECIP/BWIP Low/Mod Income Housing Fund	
2009/10	\$3.02 million (includes ASUD Agreement Deposit)
2010/11	\$2.95 million (includes ASUD Agreement Deposit)
2011/12	\$3.01 million (includes ASUD Agreement Deposit)
2012/13	\$3.07 million (includes ASUD Agreement Deposit)
2013/14	\$3.13 million (includes ASUD Agreement Deposit)
Total Deposits	\$15.2 million* (includes ASUD Agreement Deposit)

* Does not include interest

2. Housing Fund Programs, Projects, and Expenditures

CIC's anticipated annual Housing Fund expenditures for the next five years are also presented in Table 6. In addition to debt service, it is estimated that CIC will incur approximately \$1.2 million of administrative expenses over the five-year period. Administrative expenses include the County administrative fee, employee salaries and benefits, supplies, legal and consultant costs, and equipment.

As shown on Table 6, after deducting the Fund's fixed and administrative expenses, it is estimated that the Housing Fund will have a total of approximately \$8.3 million available to fund discretionary expenditures over the next five years.

¹ Including \$16.0 million total revenue and fund balance of \$3.3 million.

TABLE 6 - A
LOW AND MODERATE INCOME HOUSING FUND EXPENDITURES: WITH POTENTIAL SERAF OBLIGATION
MERGED PROJECT AREA (BWIP & WECIP)

	2009-10	2010-11	2011-12	2012-13	2013-14	Total For Five Years
<i>\$Thousands</i>						
Beginning Cash Balance ⁽¹⁾	3,315	3,294	711	965	998	
REVENUES						
Housing Set-Aside	3,016	2,950	3,007	3,066	3,126	15,165
SERAF Loan to Non-Hsg Funds - Repayment ⁽²⁾	0	0	247	247	247	742
Interest Income	21	21	21	21	21	103
Total Revenues	3,036	2,970	3,275	3,334	3,394	16,010
EXPENDITURES						
Non Discretionary Expenditures						
Bond Debt Service	446	444	443	445	444	2,222
County Admin Fee	28	28	28	29	30	142
AUSD Agreement ⁽³⁾	0	0	463	474	484	1,421
Independence Plaza	714	750	787	827	868	3,945
Administrative Expenses	190	200	210	220	231	1,051
	1,378	1,421	1,931	1,995	2,057	8,782
Loan to Non-Hsg Funds - SERAF Obligation ⁽²⁾	809	0	0	0	0	809
Available for Housing Project Expenditures	870	4,133	1,089	1,306	1,307	8,706
Total Expenditures	3,057	5,554	3,020	3,301	3,364	18,297
Ending Balance ⁽⁴⁾	3,294	711	965	998	1,028	

Source: 2009-10 figures based on CIC mid-year budget estimates. FY 2010-11 forward based upon KMA projection

⁽¹⁾ Beginning cash balance of \$3,451,000 adjusted to exclude \$138,000 receivables and add back reversal of \$2,000 prior year payroll payable.

⁽²⁾ Required to be repaid over five year period with interest at 6%. Assume level payments over four years. Final payment in FY 2014-15 not shown.

⁽³⁾ No payment expected in next two years but assume payments resume thereafter.

⁽⁴⁾ Target for a six-month operating cash reserve.

TABLE 6 - B
LOW AND MODERATE INCOME HOUSING FUND EXPENDITURES: NO SERAF OBLIGATION
MERGED PROJECT AREA (BWIP & WECIP)

	2009-10	2010-11	2011-12	2012-13	2013-14	Total For Five Years
<i>\$Thousands</i>						
Beginning Cash Balance ⁽¹⁾	3,315	4,103	711	965	998	
REVENUES						
Housing Set-Aside	3,016	2,950	3,007	3,066	3,126	15,165
SERAF Loan to Non-Hsg Funds - Repayment	0	0	0	0	0	
If no SERAF requirement						
Interest Income	21	21	21	21	21	103
Total Revenues	3,036	2,970	3,028	3,087	3,147	15,268
EXPENDITURES						
Non Discretionary Expenditures						
Bond Debt Service	446	444	443	445	444	2,222
County Admin Fee	28	28	28	29	30	142
AUSD Agreement ⁽²⁾	0	0	463	474	484	1,421
Independence Plaza	714	750	787	827	868	3,945
Administrative Expenses	190	200	210	220	231	1,051
	1,378	1,421	1,931	1,995	2,057	8,782
Loan to Non-Hsg Funds - SERAF Obligation	0	0	0	0	0	
If no SERAF requirement						
Available for Housing Project Expenditures	870	4,942	842	1,059	1,059	8,772
Total Expenditures	2,248	6,363	2,773	3,054	3,116	17,554
Ending Balance ⁽³⁾	4,103	711	965	998	1,028	

Source: 2009-10 figures based on CIC mid-year budget estimates. FY 2010-11 forward based upon KMA projection

⁽¹⁾ Beginning cash balance of \$3,451,000 adjusted to exclude \$138,000 receivables and add back reversal of \$2,000 prior year payroll payable.

⁽²⁾ No payment expected in next two years but assume payments resume thereafter.

⁽³⁾ Target for a six-month operating cash reserve.

Major projects and programs over the next five years include the following:

- Assist with the acquisition of the Alameda Unified School District (AUSD)-owned property at 2437 Eagle and development of 20 units of housing affordable to very low- and low-income households in partnership with AUSD.
- Assist with the acquisition of the 62-unit Islander Hotel located at 2438 Central Avenue and substantial rehabilitation of the units for re-use as workforce housing for very low- and low-income people in conjunction with a development partner.
- Assist with the acquisition of a City-owned parking lot at 2216 Lincoln Avenue for development of a 19-unit project for very low-income people. The project is being evaluated for feasibility as a Federal 811 project severing developmentally disabled adults. This property is located outside of BWIP and one-half of the units provided would be counted as production units.
- In partnership with Catellus Development Corporation and the Housing Authority, assist in developing a 39-unit rental project to satisfy a portion of the inclusionary requirement for the Alameda Landing mixed-use development.
- Explore the feasibility of assisting with development of 16 units of housing affordable to very low- and low-income households as part of a mixed-use development at 1435 Webster Street.
- Secure 55-year covenants on ten very low-, low-, and moderate-income ownership units at the Grand Marina development.
- Secure 55-year covenants on 22 low- and moderate-income ownership units at the Boatworks site (Clement and Oak).

It should be noted that CIC will only undertake those projects that are feasible given the actual resources that are available at the time and there is no commitment to undertake projects beyond the resources of CIC.

The actual number of units to be assisted is difficult to measure, but it is estimated that CIC's funds will be used to assist the following number of very low- to moderate-income households over the five-year period:

	Loans/Grants for New Unit Construction	Loans/Grants for Substantial Rehabilitation	55-Year Covenants	Total Units
2010	0	0	0	0
2011	0	0	8	8
2012	0	0	2	2
2013	19	62	29	101
2014	87	0	16	103

3. Expenditures Relative to the Community's Need

Under CRL Section 33334.4, CIC must target its Housing Fund expenditures to assist: (1) low and very low-income households in proportion to the units needed to assist such households as determined by the regional fair share allocation; and (2) all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent census. These "Housing Fund Targeting Requirements" must be satisfied for ten-year periods throughout the life of the Plan, with the initial period extending 13 years, from January 2002 through December 2014.

a. Proportionality by Income Levels

The income proportionality test requires that CIC target set-aside expenditures to the relative percentage of unmet need for very low-, low-, and moderate income units, as defined in the City's most recently approved Housing Element. The City's final Regional Housing Need Determination (RHND) for the 2007-2014 General Plan Housing Element is as follows.

2007 to 2014

482 very low-income units;
329 low-income units;
392 moderate-income units; and

The distribution of the prior RHND was as follows:

443 very low-income units;
265 low-income units; and
611 moderate-income units

Consistent with these distributions, CIC's minimum required allocation for very low- and low-income expenditures, and maximum moderate income housing expenditures are as follows:

Target Levels: 2002 to 2006

Very Low Income	At least 34%
Low Income (excluding very low)	At least 20%
Moderate Income (excluding very low and low)	Not more than 46%

Target Levels: 2007 to 2014

Very Low Income	At least 40%
Low Income (excluding very low)	At least 27%
Moderate Income (excluding very low and low)	Not more than 33% subject to Guyton Settlement

CIC is entitled to expend a disproportionate amount of funds for very low-income households, and to subtract a commensurate amount from low-income thresholds. In no event through 2014, can CIC expend housing funds targeted to moderate income households per the Guyton Settlement.

As shown on Table 7, the Housing Fund Expenditure Plan 2002-2014, over the 13-year targeting period CIC intends to spend approximately 54.1% of its projects and program expenditures on very low-income housing, which significantly exceeds the RHND requirement of 40%. CIC plans to spend 45.4% of its available resources on low-income units. Combined expenditures to assist very low- and low-income households are estimated to account for over 99% of CIC's discretionary expenditures, which significantly exceeds the targeting requirement of 67%.

2002 through 2014	Very Low Income	Very Low + Low Income	Moderate Income	Total
Required Proportionate Target (most stringent)	At least 40%	At least 67%	Not more than 33% subject to Guyton settlement	
Intended Appropriation of Housing Fund (% of Spending)	54%	Over 99%	<1%	100%

b. Proportionality by Age

The age restriction proportionality requirements of Section 33334.4 require moneys in the Low and Moderate Income Housing Fund be used to assist housing that is available to all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent census of the United States Census Bureau. According to Census 2000 (CHAS Data Book), low-income senior households represent approximately 29% of the low-income households within the City. Conversely, low income households without a member over age 65 represent approximately 71% of households in the City of Alameda. Consistent with this age distribution for low-income households, CIC is required to expend at least 71% of its Low and Moderate Income Housing Fund from January 1, 2002 through December 31, 2014 on non-age restricted projects. As reported by the Census 2000, City of Alameda's population was 72,259 with 87% of the population under the age of 65 and 13% over the age of 65.

For BWIP, an agreement with ASUD requires that 40% of the original BWIP 20% set aside housing funds be turned over to ASUD to develop affordable housing for households with income levels less than 80% of AMI subject to requirements of State law. For the balance of the BWIP 20% set aside housing funds, CIC projects that one hundred percent (100%) will be targeted towards for low and very low income households as required under the Guyton Settlement Agreement. For WECIP, it is anticipated that the contractual obligations to the Independence Plaza senior project will continue for the life of WECIP. (In 1989, an all senior 186 unit development was constructed in the WECIP, and CIC entered into an agreement committing all 20% set aside funds not needed for debt service and other administrative expenses to this project in order to stabilize rent and operations for the very low- and low-income units.)

As shown on Table 7, the Housing Fund Expenditure Plan 2002-2014, Independence Plaza is the only age-restricted project that CIC intends to assist over the period. Expenditures on Independence Plaza are anticipated to total approximately \$12.7 million through 2014 (inclusive of bond debt service). This represents 43% of the estimated BWIP/WECIP housing expenditures over the period.

c. Prior Implementation Plan Period Targeting Expenditures

Pursuant to Section 33490 (a)(2)(C)(iv), the Implementation Plan shall identify the following relative to the prior Implementation Plan period (2005-2009):

- i. *Amounts of Low and Moderate Income Housing Fund monies utilized during the prior implementation plan period to assist units affordable to and occupied by extremely low-, very low- and low-income households.* The breakdown of expenditures by income category in BWIP/WECIP is as follows:

	Extremely Low	Very Low	Low
2005 – 2009	\$0	\$5.6 million	\$4.2 million

- ii. *The number, location, and level of affordability of newly constructed units with other locally controlled governmental assistance and without Agency assistance and that have the requisite deed restrictions.* During the prior implementation plan period, 48 homes in the Bayport by Warmington are deed restricted pursuant to CIC's inclusionary requirements and without CIC financial assistance.
- iii. *The amount of Low and Moderate Income fund moneys utilized to assist housing units available to families with children and the location, number and level of affordability of those units.*

<i>Project</i>	<i>Total # of Units</i>	<i>Low</i>	<i>Very Low</i>	<i>\$ Spent</i>
Breakers at Bayport Apartments – 459 Neptune Gardens	52	22	30	\$0.7 mil
Shinsei Gardens Apartments – 401 Stargell Avenue	39	16	23	\$2.38 mil
Buena Vista Commons – 626 Buena Vista	8	6	0	\$0.5 mil

As presented in Table 7, in BWIP/WECIP CIC spent a total of approximately \$5.2 million of Low and Moderate Income funds on non-age restricted housing during the prior implementation plan period.

TABLE 7
LOW AND MODERATE INCOME HOUSING FUND EXPENDITURE PLAN: 2002-2014
5-YEAR IMPLEMENTATION PLAN
MERGED PROJECT AREA

<i>Breakout of Expenditures on Projects and Programs</i> ⁽¹⁾	Estimated 2002	Estimated 2003	Estimated 2004	Estimated 2005	Estimated 2006	Estimated 2007	Estimated 2008	Estimated 2009	Projected 2010	Projected 2011	Projected 2012	Projected 2013	Projected 2014	Subtotal 2005-2009	Total 2002-2014
Independence Plaza (Senior) - Affordable Housing Agreement (Rent / Operating Subsidy)															
Very Low	\$562	\$562	\$562	\$562	\$562	\$562	\$562	\$562	\$565	\$594	\$623	\$654	\$687	\$2,808	\$7,616
Low	\$148	\$148	\$148	\$148	\$148	\$148	\$148	\$148	\$149	\$156	\$164	\$172	\$181	\$739	\$2,004
Total	\$709	\$709	\$709	\$709	\$709	\$709	\$709	\$709	\$714	\$750	\$787	\$827	\$868	\$3,547	\$9,620
Independence Plaza (Senior) - Bond Debt Service															
Very Low	\$186	\$182	\$181	\$184	\$187	\$181	\$183	\$184	\$188	\$188	\$188	\$190	\$188	\$918	\$2,411
Low	\$49	\$48	\$48	\$48	\$49	\$48	\$48	\$48	\$50	\$50	\$49	\$50	\$50	\$242	\$634
Total	\$235	\$230	\$229	\$233	\$236	\$228	\$231	\$232	\$238	\$238	\$237	\$240	\$238	\$1,160	\$3,045
Breakers at Bayport (bond debt service)															
Very Low					\$89	\$112	\$136	\$136	\$136	\$136	\$136	\$136	\$136	\$474	\$1,154
Low					\$46	\$57	\$70	\$70	\$70	\$70	\$70	\$69	\$70	\$242	\$590
Total					\$135	\$169	\$206	\$206	\$206	\$206	\$206	\$205	\$206	\$716	\$1,745
Shinsei Gardens															
Very Low								\$1,404						\$1,404	\$1,404
Low								\$976						\$976	\$976
Total								\$2,380						\$2,380	\$2,380
Buena Vista Gardens															
Low							\$375							\$375	\$375
Moderate							\$125							\$125	\$125
Total							\$500							\$500	\$500
AUSD Agreement (Required to be spent on low)															
Low	\$205	\$223	\$259	\$295	\$373	\$547	\$362	\$0	\$0	\$0	\$463	\$474	\$484	\$1,576	\$3,685
Future Projects and Programs															
Very Low									\$348	\$1,653	\$436	\$522	\$523	\$0	\$3,482
Low									\$522	\$2,480	\$654	\$784	\$784	\$0	\$5,223
Total									\$870	\$4,133	\$1,089	\$1,306	\$1,307	\$0	\$8,706
Total	\$1,150	\$1,162	\$1,198	\$1,237	\$1,453	\$1,653	\$2,008	\$3,528	\$2,028	\$5,327	\$2,763	\$3,052	\$3,103	\$9,878	\$29,680
Expenditure Targeting															
Annual Expenditures, Very Low	\$748	\$743	\$743	\$746	\$838	\$854	\$881	\$2,285	\$1,238	\$2,571	\$1,383	\$1,503	\$1,535	\$5,603	\$16,067
Annual Expenditures, Low	\$402	\$419	\$455	\$491	\$616	\$799	\$1,002	\$1,242	\$790	\$2,755	\$1,400	\$1,549	\$1,568	\$4,150	\$13,488
Annual Expenditures, Moderate	\$0	\$0	\$0	\$0	\$0	\$0	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$125	\$125
Total	\$1,150	\$1,162	\$1,198	\$1,237	\$1,453	\$1,653	\$2,008	\$3,528	\$2,028	\$5,327	\$2,783	\$3,052	\$3,103	\$9,878	\$29,680
% Very Low, Cumulative	65%	65%	64%	63%	62%	59%	56%	59%	59%	56%	55%	55%	54.1%	57%	54.1%
% Low Cumulative	35%	35%	36%	37%	38%	41%	42%	41%	40%	43%	44%	45%	45.4%	42%	45.4%
% Moderate, Cumulative	0%	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	0%	0.4%	1%	0.4%
Senior															
Senior	\$945	\$939	\$938	\$942	\$945	\$938	\$940	\$942	\$952	\$988	\$1,024	\$1,067	\$1,106	\$4,707	\$12,665
Non-Senior															
Non-Senior	\$205	\$223	\$259	\$295	\$508	\$715	\$1,068	\$2,586	\$1,076	\$4,339	\$1,758	\$1,985	\$1,997	\$5,172	\$17,015
Total	\$1,150	\$1,162	\$1,198	\$1,237	\$1,453	\$1,653	\$2,008	\$3,528	\$2,028	\$5,327	\$2,783	\$3,052	\$3,103	\$9,878	\$29,680
% Senior, Cumulative	82%	81%	80%	79%	76%	72%	67%	56%	55%	48%	45%	43%	43%	48%	43%
% Non-Senior, Cumulative	18%	19%	20%	21%	24%	28%	33%	44%	45%	54%	55%	57%	57%	52%	57%

⁽¹⁾ Allocation of expenditures among income categories within individual projects is approximate and is based upon the number of units and estimated gap by income level.

F. Consistency with Housing Element

AB 1290 and AB 315 require that CIC's affordable housing activities be consistent with the City's Housing Element. The Housing Element addresses the housing issues of the entire City of Alameda of which the Project Area is a part. The following are some of the commitments set forth in the City's General Plan Housing Element, which will enhance both the City's and CIC's ability to increase the supply of affordable housing in Alameda.

As detailed below, the City's housing goals, as specified in the General Plan, include:

- Maintain and improve the quality of existing housing and residential neighborhoods to provide safe and affordable housing to meet the needs of all residents in the City of Alameda.
- Encourage retention and addition of housing in Park Street, Webster Street, and neighborhood business districts.
- Preserve the existing mix of water-related uses and add on-shore live/work space.
- Develop live/work space along the Northern Waterfront from Grand Street to Willow Street with the intent of maintaining an environment suited to the types of businesses now located in the area.
- Provide for redevelopment of existing industrial sites to residential along the Northern Waterfront from Willow Street to Oak Street.
- Create a "marina green" park along the Estuary.
- Maximize access to the shoreline and open water.
- Promote, encourage, and assist in the development of housing that meets the needs of all socio-economic segments of the community.
- Provide opportunities to meet City of Alameda's share of regional housing needs for all income groups, and encourage a variety of housing types.
- Remove potential constraints to housing production and affordability.
- Promote equal housing opportunity for all residents.
- Provide affordable housing opportunities throughout the City for current and future employees who would like to live in Alameda by establishing new housing developments that fully integrate with the surrounding areas.

CIC's programs and expenditures are consistent with and supportive of the General Plan Housing Element's affordable housing objectives. As discussed in this Plan, CIC funds the following programs:

- Assistance for substantial rehabilitation, which helps maintain and improve the quality of the housing stock. CIC plans to continue such funding, providing \$3 million of assistance over the next five years.
- Assistance for new construction. CIC will continue to help assemble development sites for new housing projects and provide assistance for the development of new affordable housing. Over the next five years, it is estimated that CIC will spend \$4 million on new affordable housing development.
- CIC has collaborated with Alameda Unified School District to assist the district to meet its housing needs, subject to the requirements of State Law. CIC provides 40% of the original BWIP housing funds to this effort. Amount funded to date is \$2.9 million.
- CIC has identified potential development sites, and the provision of financial assistance, the Agency is fully engaged in assisting the City meet its regional housing needs and removing constraints to housing production.
- The City provides financing and other subsidies through various programs, including redevelopment agency programs, federally funded Community Development Block Grant program, HOME Investment Partnership Act Program, and Affordable Housing Unit/Fee and Affordable Housing In-Lieu fee to develop housing for all levels of need – very low- to moderate-income housing, multi-family housing, senior housing, emergency shelters, and transitional housing.
- The City has implemented a number of policies to encourage new housing and preserve existing housing, including the recent density bonus ordinance to increase the number of new affordable housing units.